



STATE OF SOUTH CAROLINA
OFFICE OF THE STATE TREASURER
CONVERSE A. CHELLIS III, CPA

September 25, 2007

The Honorable Mark Sanford, Governor
Chairman, S.C. Budget & Control Board

Dear Governor Sanford:

Since taking office as State Treasurer 53 days ago, I have examined ways to make the Treasurer's Office operate more effectively and efficiently. After undertaking a careful and comprehensive review of the agency, I have identified several initiatives that will enable our office to save tax dollars over the next several years and beyond.

One initiative is to immediately reduce tax dollars appropriated to the State Treasurer's Office. Today, I would like to return \$100,000 in current year appropriated General Fund dollars back to the State.

This is part of an effort to reduce my agency's reliance on General Fund appropriations. I am requesting the Board's assistance in implementing this reduction in the State's record keeping.

We are taking the initiative to use other revenue sources or cost savings that will allow us to continue to provide first-rate services for the citizens of South Carolina as well as State agencies. We will work with the Budget Office and the Comptroller General's Office to finalize these details.

It is my hope that these funds being returned today are used to go toward key priority spending needs or towards taxpayer relief.

Also, in our budget plans for next year fiscal year, we are asking that this reduction in General Fund appropriations be made permanent.

Yours very truly,

A handwritten signature in blue ink, reading "Converse A. Chellis III".

Converse A. Chellis III, CPA
Treasurer

CAC/afw